



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: OCTOBER 14, 2019

ITEM NUMBER: PH-1

SUBJECT: PLANNING APPLICATION 19-17 FOR A CONDITIONAL USE PERMIT TO ALLOW A RESTAURANT AND BAR WITH LIVE ENTERTAINMENT TO OPERATE AFTER 11 PM AT THE SHOPS AT MESA VERDE SHOPPING CENTER (1555 ADAMS AVENUE, SUITE 100)

DATE: OCTOBER 2, 2019

FROM: PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: NANCY HUYNH, ASSOCIATE PLANNER

**FOR FURTHER INFORMATION CONTACT: NANCY HUYNH 714.754.5609
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RECOMMENDATION:

Staff recommends that the Planning Commission adopt a Resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Existing Facilities); and
2. Approve Planning Application 19-17, subject to conditions of approval.

APPLICANT OR AUTHORIZED AGENT:

The applicant and property owner is Mesa Verde Partners. The authorized agent is Kenneth Kenwood.

PLANNING APPLICATION SUMMARY

Location:	1555 Adams Avenue, Suite 100	Application Number:	PA-19-17
Request:	Planning Application 19-17 is a request for a Conditional Use Permit (CUP) to allow a new restaurant and bar (Kenwood's Kitchen and Tap) located within 200 feet of residentially-zoned property to operate after 11 PM with occasional live entertainment. The restaurant and bar proposes to operate until 2 AM on Fridays, Saturdays, and holidays. The restaurant and bar would operate until 11 PM on the remaining days of the week (Sunday through Thursday).		

SUBJECT PROPERTY:

SURROUNDING PROPERTY:

Zone:	PDC (Planned Development Commercial)	North:	(Across Adams Avenue) C1 – Miscellaneous commercial uses
General Plan:	General Commercial	South:	PDC – Azulon Senior Apartments
Lot Dimensions:	139 FT x 205 FT (project site)	East:	(Across Harbor Boulevard) C1 – Miscellaneous commercial uses
Lot Area:	0.66-acre (project site)	West:	PDR-MD – Detached residential
Existing Development:	Developed with an 11,215-square-foot multi-tenant, single-story restaurant building with an outdoor dining patio area		

DEVELOPMENT STANDARDS COMPARISON

Development Standard	Required/Master Plan Approval	Proposed/Provided
Maximum allowable building area per Master Plan PA-10-10	152,477 SF	130,100 SF
Maximum FAR	.30	.26
Building Height	N/A	1 Story / 36 FT
Development Lot Building Setbacks:		
Front (Adams Avenue)	5 to 6.5 FT ¹	21 FT
Side (left / right)	N/A	10 FT / 31 FT
Rear	N/A	28 FT
Parking		
Multi-tenant Restaurant Building (including outdoor patio)	156 (52 required for Suite 100)	159 (allocated)
Overall Commercial Center	729	729
¹ Variance ZE-83-161 approved a 12-foot setback in 1983, which was further reduced to 5 - 6.5 feet by the City's widening of Adams Avenue. Though a reduced setback was allowed, the subject building was constructed with a 21-foot setback per Development Review No. 17-02 approved in April 2007.		
CEQA Status	Exempt per CEQA Guidelines Section 15301 (Existing Facilities)	
Final Action	Planning Commission	

BACKGROUND:

The proposed project is located at 1555 Adams Avenue (Suite 100) within an existing commercial development – The Shops at Mesa Verde. The existing commercial center is zoned PDC (Planned Development Commercial) and has a General Plan land use designation of General Commercial. The Shops at Mesa Verde is bounded by Adams Avenue to the north, Harbor Boulevard to the east, and residential properties to the west and south. Existing businesses in the shopping center include Vons, Broken Yolk Café, CVS Pharmacy, and other smaller uses including several food uses facing Harbor Boulevard. The shopping center contains three single-tenant buildings and three multi-tenant buildings. The proposed restaurant and bar would be located in one of the suites within one of the multi-tenant buildings.

The subject multi-tenant building is an 11,215-square-foot single-story commercial building, with 2,276 square feet of outdoor dining patio area. The Zoning Administrator previously approved the multi-tenant building on April 12, 2017 under Development Review 17-02. The Development Review included demolishing the former Souplantation building to replace it with a new multi-tenant commercial building with up to four restaurant tenants. The multi-tenant building currently has one tenant, Descanso Mexican Restaurant (Suite 103). The proposed restaurant and bar would be located in Suite 100, which is vacant and has approximately 3,700 square feet of interior space in addition to approximately 1,100 square feet of outdoor patio dining space. The other suites, Suites 101 and 102, are also vacant. The shopping center contains 729 surface parking spaces, with 159 required for the subject multi-tenant building. Parking within the shopping center is adequate to support restaurant uses in the multi-tenant building per Development Review 17-02.

DESCRIPTION:

The proposed project is for a new restaurant and bar, Kenwood's Kitchen and Tap (Kenwood's). Kenwood's proposes to operate until 2 AM on Fridays, Saturdays and holidays as well as to provide occasional live entertainment such as live music performances. Because the subject property is located within 200 feet of a residential zone, a CUP is required per the Zoning Code (Table 13-47). This section requires a CUP when a restaurant or bar includes the sale of alcoholic beverages for on-site consumption after 11 PM or when there is live entertainment or dancing.

The proposed project would not involve any changes or expansion to the site or exterior of the building. The applicant proposes only interior tenant improvements to accommodate the project.

The item was continued from the September 9, 2019, and the September 23, 2019, Planning Commission meetings.

ANALYSIS:

The proposed project is a new restaurant and bar that is located within 200 feet of residentially-zoned property that proposes to operate after 11 PM in conjunction with the sale of alcohol. A CUP is also required for the live entertainment within 200 feet of a residential zone.

The applicant indicates the proposed restaurant and bar is intended to be a family-friendly establishment with a chef-driven menu. The bar component would feature local craft beer and a selection of wine and specialty spirits. Proposed live entertainment would include live music performances as well as pre-recorded music played by a disc jockey. Kenwood's proposes to operate in a 3,665-square-foot tenant suite that also includes a 1,138-square-foot outdoor dining patio area. The restaurant and bar propose to have a total of 144 seats within the dining room, outdoor patio, and bar. Kenwood's would apply for a Type 47 liquor license (On Sale General – Eating Place) through the California Department of Alcoholic Beverage Control, which would allow for the sale of beer, wine, and spirits for on-site consumption. There would be up to 35 employees in the restaurant at any one time.

Kenwood's proposes to remain open until 2 AM on Fridays, Saturdays, and holidays and until 11:00 PM on the remaining days of the week (Sunday through Thursday). The kitchen hours would be consistent with the proposed hours of operation but would have a limited menu during late night hours (from 11 PM to 2 AM on Fridays, Saturdays, and holidays). Last call for alcohol would be at 10:30 PM on Sunday through Thursday and at 1:30 AM on Fridays, Saturdays, and holidays.

Live entertainment would be provided occasionally throughout the week (primarily on weekends); a dance floor is not proposed. The applicant has indicated that the music would either be acoustic or amplified. However, the entertainment would be provided indoors only so that the sound would be limited to the interior dining area. All doors would be required to remain closed at all times that live entertainment is provided; access from the interior dining to the outdoor patio during live entertainment would be limited to the entry door along the north side of the building (Condition of Approval [CoA] No. 2).

The applicant has indicated that the ability to be open until 2 AM on Fridays, Saturdays, and holidays would allow it to better serve the community and provide late night dining options other than fast food restaurants. Many of the surrounding eating and drinking establishments including Al Forno Caffè, Descanso Mexican Restaurant, and The Kickin' Crab are open until 10 or 11 PM on the weekends. Allowing Kenwood's to operate until 2 AM on Fridays and Saturdays as well as holidays would provide an opportunity for late night dining in an appropriate location that is substantially buffered from residential uses. Therefore, staff is supportive of allowing the proposed restaurant and bar to operate until 2 AM on Fridays, Saturdays and holidays.

In terms of live entertainment, staff is also supportive of the request. Even though the subject property is within 200 feet of residentially-zoned properties, the restaurant itself would be located approximately 450 feet away from the nearest residentially-zoned

property with the shopping center parking area providing a substantial separation. Furthermore, the existing single-tenant commercial building between Kenwood's and the existing residential development to the west would also help to buffer any potential noise from the live entertainment. A condition of approval has also been included to limit the live entertainment to only inside the suite within the interior dining space (CoA No. 2). In addition, CoA Nos. 3 and 4 have been included to further ensure the use and the live entertainment do not negatively impact surrounding properties including the residential neighborhood. The Police Department also reviewed the proposed requests and did not express concerns with allowing the restaurant and bar to operate until 2 AM on weekends/holidays in addition to providing live entertainment.

GENERAL PLAN CONFORMANCE:

The following analysis evaluates the proposed project's consistency with specific goals, objectives, and policies of the General Plan, Land Use Element.

1. **Policy LU-1.1:** *Provide for the development of a mix and balance of housing opportunities, commercial goods and services, and employment opportunities in consideration of the needs of the business and residential segments of the community.*

Consistency: The proposed restaurant and bar would add to the variety of commercial services and goods in the neighborhood by providing a service (entertainment and dining) to meet the needs of businesses and residents of the community.

2. **Policy LU-6.7:** *Encourage new and retain existing businesses that provide local shopping and services.*

Consistency: The proposed restaurant and bar would be a new business that provides entertainment and dining opportunities for local businesses and residents. Furthermore, a new restaurant could contribute to retaining existing businesses and attracting new businesses since restaurants and other entertainment-oriented businesses tend to locate near each other.

JUSTIFICATIONS FOR APPROVAL:

Pursuant to Title 13, Section 13-29(g)(2), Conditional Use Permit Findings, of the Costa Mesa Municipal Code, in order to approve the project, the Planning Commission shall find that the evidence presented in the administrative record demonstrates that the proposed project substantially meets specified findings. Staff recommends approval of the request, based on the following assessment of facts and findings, which are also reflected in the draft Resolution:

- *The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other*

properties within the area. The proposed use would not involve any expansion or additional square footage to the existing multi-tenant commercial building. All parking, building setbacks, site circulation and other development standards have been previously reviewed and approved under Development Review 17-02 and will remain unchanged with the proposed restaurant. The proposed use would be compatible since there are a variety of restaurants already within the existing shopping center as well as within surrounding commercial developments.

- Granting the conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood. Even though the existing shopping center property is located within 200 feet of residentially-zoned property, the proposed restaurant itself would be located approximately 450 feet away from the nearest residentially-zoned property, with the existing shopping center parking lot providing substantial separation. Furthermore, the existing single-tenant commercial building between Kenwood's and the existing residential development to the west would buffer any potential noise from the live entertainment and late night dining on Fridays, Saturdays and holidays. A condition has also been included to limit the live entertainment to indoors only within the interior dining space (CoA No. 2). All activities, with the exception of the outdoor dining patio, would be conducted underroof inside the tenant suite. The outdoor dining patio would be closed at 11 PM daily so late night nuisance noise from the outdoor patio space would be avoided. Additionally, CoA Nos. 3 and 4 have been included to ensure the use operates in a manner that would allow the quiet enjoyment of the surrounding neighborhood.
- Granting the conditional use permit will not allow a use, density or intensity, which is not in accordance with the general plan designation and any applicable specific plan for the property. A restaurant and bar use is a commercial use consistent with the General Commercial land use designation of the General Plan. The proposed use would not increase density or intensity since the project would not expand the square footage of the multi-tenant commercial building. General Commercial uses are intended to provide a wide range of goods and services to meet the needs of local residents as well as the regional neighborhoods. The proposed restaurant and bar would provide entertainment and dining opportunities for the community. Based on this, the proposed use fits within the General Plan's General Commercial land use designation and complies with the applicable development standards of the Zoning Code.

ENVIRONMENTAL DETERMINATION:

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 (Class 1), Existing Facilities. The project is for a new restaurant and bar within an existing multi-tenant building and involves no changes to the existing building or site. Therefore, the proposed project meets all the applicable General Plan policies and Zoning regulations, and is adequately served by

existing utilities and public services.

ALTERNATIVES:

The Planning Commission has the following alternatives:

1. Approve the project. The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution.
2. Approve the project with modifications. The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If any of the additional requested changes are substantial, the item should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return with a revised Resolution incorporating new findings and/or conditions.
3. Deny the project. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must deny the application, provide facts in support of denial, and direct staff to incorporate the findings for denial into a Resolution for denial. If the project were denied, the applicant could not submit substantially the same type of application for six months.

LEGAL REVIEW:

The draft Resolution has been approved as to form by the City Attorney's Office.

PUBLIC NOTICE:


Pursuant to Title 13, Section 13-29(d), of the Costa Mesa Municipal Code, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. Mailed notice. A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property. (See attached Notification Radius Map)
2. On-site posting. A public notice was posted on each street frontage of the project site.
3. Newspaper publication. A public notice was published once in the Daily Pilot newspaper.

As of this report, no written public comments have been received. Any public comments received prior to the October 14, 2019 Planning Commission meeting will be provided separately.

CONCLUSION:

The proposed request is for a CUP to allow a new restaurant and bar (Kenwood's Kitchen and Tap) located within 200 feet of residentially-zoned property to operate until 2 AM on Fridays, Saturdays, and holidays in addition to providing live entertainment. The restaurant and bar would be located in an existing multi-tenant building within The Shops at Mesa Verde. The proposed restaurant would be located approximately 450 feet away from the nearest residentially-zoned property (to the west). Any potential nuisance noise would further be buffered by the existing single-tenant building in between the proposed restaurant and nearest residential uses. Therefore, staff recommends approval of the project subject to conditions of approval.


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Associate Planner
BARRY CURTIS, AICP
Director of Economic and Development
Services

Attachments: 1. [Draft Planning Commission Resolution and Exhibits](#)
2. [Applicant Letter](#)
3. [Vicinity Map, Zoning Map and 500' Radius Map](#)
4. [Project Plans](#)

Distribution: Director of Economic and Development Services
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